

STATE OF SOUTH DAKOTA
OFFICE OF PROCUREMENT MANAGEMENT
523 EAST CAPITOL AVENUE
PIERRE, SOUTH DAKOTA 57501-3182

**Criminal Justice Initiative Cognitive Behavioral Substance Abuse
Treatment Rural Pilot Project**

PROPOSALS ARE DUE NO LATER THAN MAY 27, 2014, 5:00 PM CDT

RFP #2260

BUYER: Division of
Behavioral Health

POC: Mark Close
Mark.Close@state.sd.us

READ CAREFULLY

FIRM NAME: _____ AUTHORIZED SIGNATURE: _____
ADDRESS: _____ TYPE OR PRINT NAME: _____
CITY/STATE: _____ TELEPHONE NO: _____
ZIP (9 DIGIT): _____ FAX NO: _____
FEDERAL TAX ID#: _____ E-MAIL: _____

PRIMARY CONTACT INFORMATION

CONTACT NAME: _____ TELEPHONE NO: _____
FAX NO: _____ E-MAIL: _____

1.0 **GENERAL INFORMATION**

1.1 **PURPOSE OF REQUEST FOR PROPOSAL (RFP)**

The Department of Social Services is soliciting proposals from qualified private entities to develop rural substance abuse treatment services utilizing the curriculum, Cognitive Behavioral Interventions for Substance Abusers, developed by the University of Cincinnati.

The Department intends to fund service development and service provision in two rural areas with priority for the rural programs to serve rural towns within the 1st, 5th, or 6th judicial circuits.

1.2 **ISSUING OFFICE AND RFP REFERENCE NUMBER**

The Department of Social Services, Division of Behavioral Health is the issuing office for this document and all subsequent addenda relating to it, on behalf of the State of South Dakota, Department of Social Services. The reference number for the transaction is RFP #2260. Refer to this number on all proposals, correspondence, and documentation relating to the RFP.

Please refer to the Department of Social Services website link <http://dss.sd.gov/rfp/index.asp> for the RFP, any related questions/answers, changes to schedule of activities, amendments, etc.

1.3 **LETTER OF INTENT**

All interested offerors are requested to submit a non-binding **Letter of Intent** to respond to this RFP. While preferred, a Letter of Intent is not required to submit a proposal.

The letter of intent must be received by email in the Department of Social Services by no later than April 14, 2014 and should be addressed to Mark Close via email: Mark.Close@state.sd.us. Place the following in the subject line of your email: “**Letter of Intent for RFP #2260**”. Be sure to reference the RFP number in any attached letter.

1.4 **SCHEDULE OF ACTIVITIES (SUBJECT TO CHANGE)**

RFP Publication	<u>March 31, 2014</u>
Letter of Intent to Respond Due	<u>April 14, 2014</u>
Deadline for Submission of Written Inquiries	<u>April 21, 2014</u>
Responses to Offeror Questions	<u>May, 2, 2014</u>
Proposal Submission	<u>May 27, 2014 by 5:00 pm CDT</u>
Oral Presentations/discussions (if required)	<u>TBD if necessary</u>
Proposal Revisions (if required)	<u>TBD if necessary</u>
Anticipated Award Decision/Contract Negotiation	<u>June 16, 2014</u>

1.5 **SUBMITTING YOUR PROPOSAL**

All proposals must be completed and received in the Department of Social Services by the date and time indicated in the Schedule of Activities.

Proposals received after the deadline will be late and ineligible for consideration.

An original and five (5) identical copies of the proposal shall be submitted.

The cost proposal must be in a separate sealed envelope and labeled “Cost Proposal”. Please submit the original and five (5) identical copies.

All proposals must be signed in ink by an officer of the responder legally authorized to bind the responder to the proposal, and sealed in the form intended by the respondent. Proposals that are not properly signed may be rejected. The sealed envelope must be marked with the appropriate RFP Number and Title. The words "Sealed Proposal Enclosed" must be prominently denoted on the outside of the shipping container. **Proposals must be addressed and labeled as follows:**

**REQUEST FOR PROPOSAL #2260 PROPOSAL DUE MAY 27, 2014 BY 5:00 PM
CDT
SOUTH DAKOTA DEPARTMENT OF SOCIAL SERVICES
ATTENTION: MARK CLOSE
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291**

All capital letters and no punctuation are used in the address. The above address as displayed should be the only information in the address field.

No proposal may be accepted from, or any contract or purchase order awarded to any person, firm or corporation that is in arrears upon any obligations to the State of South Dakota, or that otherwise may be deemed irresponsible or unreliable by the State of South Dakota.

1.6 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS

By signing and submitting this proposal, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation, by any Federal department or agency, from transactions involving the use of Federal funds. Where the offeror is unable to certify to any of the statements in this certification, the bidder shall attach an explanation to their offer.

1.7 NON-DISCRIMINATION STATEMENT

The State of South Dakota requires that all contractors, vendors, and suppliers doing business with any State agency, department, or institution, provide a statement of non-discrimination. By signing and submitting their proposal, the offeror certifies they do not discriminate in their employment practices with regard to race, color, creed, religion, age, sex, ancestry, national origin or disability.

1.8 MODIFICATION OR WITHDRAWAL OF PROPOSALS

Proposals may be modified or withdrawn by the offeror prior to the established due date and time.

No oral, telephonic, telegraphic or facsimile responses or modifications to informal, formal bids, or Request for Proposals will be considered.

1.9 OFFEROR INQUIRIES

Offerors may email inquiries concerning this RFP to obtain clarification of requirements. No inquiries will be accepted after the date and time indicated in the Schedule of Activities. Email inquiries must be sent to mark.close@state.sd.us with the subject line "RFP #2260".

The Department of Social Services will respond to offeror's inquiries by posting all offeror aggregated questions and Department responses on the DSS website at

<http://dss.sd.gov/rfp/index.asp> no later than May 2, 2014. Offerors may not rely on any other statements, either of a written or oral nature, that alter any specification or other term or condition of this RFP. Offerors will be notified in the same manner as indicated above regarding any modifications or amendments to this RFP.

1.10 PROPRIETARY INFORMATION

The proposal of the successful offeror(s) becomes public information. Proprietary information can be protected under limited circumstances such as client lists and non-public financial statements. Pricing and service elements are not considered proprietary. An entire proposal may not be marked as proprietary. Offerors must clearly identify in the Executive Summary and mark in the body of the proposal any specific proprietary information they are requesting to be protected. The Executive Summary must contain specific justification explaining why the information is to be protected. Proposals may be reviewed and evaluated by any person at the discretion of the State. All materials submitted become the property of the State of South Dakota and may be returned only at the State's option.

1.11 LENGTH OF CONTRACT

The purchase of service contract will begin July 1, 2014 and end on May 31, 2015. The continuation of the contract in future years will be dependent on the Offeror's performance in implementing the pilot project.

1.12 GOVERNING LAW

Venue for any and all legal action regarding or arising out of the transaction covered herein shall be solely in the State of South Dakota. The laws of South Dakota shall govern this transaction.

1.13 DISCUSSIONS WITH OFFERORS (ORAL PRESENTATION/NEGOTIATIONS)

An oral presentation by an offeror to clarify a proposal may be required at the sole discretion of the State. However, the State may award a contract based on the initial proposals received without discussion with the offeror. If oral presentations are required, they will be scheduled after the submission of proposals. Oral presentations will be made at the offeror's expense.

This process is a Request for Proposal/Competitive Negotiation process. Each Proposal shall be evaluated, and each respondent shall be available for negotiation meetings at the State's request. The State reserves the right to negotiate on any and/or all components of every proposal submitted. From the time the proposals are submitted until the formal award of a contract, each proposal is considered a working document and as such, will be kept confidential. The negotiation discussions will also be held as confidential until such time as the award is completed.

2.0 STANDARD AGREEMENT TERMS AND CONDITIONS

Any contract or agreement resulting from this RFP will include, at minimum, the State's standard terms and conditions as seen in Attachment A.

3.0 SCOPE OF WORK

Under the Criminal Justice Initiative, the Department of Social Services, Division of Behavioral Health has been appropriated funding to provide substance abuse treatment services for 100 individuals on probation supervision with the Unified Judicial System or on parole status with the Department of Corrections who reside in rural areas with priority for the rural programs to serve clients residing within the 1st, 5th or 6th judicial circuits.

The Department of Social Services is seeking proposals that address the delivery of treatment services in rural locations and the development of services not currently accessible or available to clients in these areas. Services may include but are not limited to: transportation needs, utilization of HIPAA compliant video conferencing equipment and other proposed measures to provide individuals in need of treatment services but unable to access due to remoteness of their locations or other identified barriers.

Individuals will be referred to substance abuse treatment services as determined by the Level of Services Inventory- Revised (LSI-R) assessment conducted by UJS or DOC.

Offeror is expected to complete a planning phase that requires work with the Department of Social Services and approval from Department of Social Services is required before activity may begin towards implementation.

Although each of the program design elements must be included in the submission, Department of Social Services expects that some elements may be in the preliminary stages of development at the time of the RFP application/proposal. During the planning phase, offerors will build upon and strengthen compliance with the mandatory program design elements. Offeror may receive technical assistance prior to program implementation.

- 3.1 The proposal must outline the area proposed to serve and the current barriers and/or challenges in the rural area proposed.
- 3.2 The proposal must describe how these barriers and/or challenges may be addressed using the funding allocated under this RFP.
- 3.3 The proposal must describe how initial assessments would be conducted along with on-going treatment needs delivered utilizing Cognitive Behavioral Interventions for Substance Abuse (CBISA) in an individual and/or group setting.
- 3.4 The proposal must describe how the proposed services are similar and/or different to any services currently provided.
- 3.5 The proposal must describe relevant implementation challenges and methods of addressing such challenges, such as using HIPAA compliant technology.
- 3.6 The proposal must describe the level of assistance the offeror is requesting from the state to address implementation challenges as described.
- 3.7 The offeror must specify in writing their agreement to work collaboratively with the Department of Social Services in reviewing the content of all programming and agree to submit information to the Department of Social Services for billing purposes.

4.0 PROPOSAL REQUIREMENTS AND COMPANY QUALIFICATIONS

- 4.1 The offeror is cautioned that it is the offeror's sole responsibility to submit information related to the evaluation categories and that the State of South Dakota is under no obligation to solicit such information if it is not included with the proposal. The offeror's failure to submit such information may cause an adverse impact on the evaluation of the proposal.
- 4.2 The proposal must include the names of individuals that will be working in the treatment program. If the offeror does not have the needed staff employed to operate the programs, they must submit a time frame for hiring these staff.
- 4.3 The proposal must include copies of the credentials of the aforementioned individuals.
- 4.4 The proposal must include copies of any current accreditation certificates in the program area of alcohol and drug prevention and treatment. Proposals from entities not currently accredited by the State must submit a projected timeline regarding how the program would become accredited through direct accreditation or deemed status accreditation.

- 4.5 The proposal will document the number of years the offeror has been operating alcohol and drug prevention and treatment services in the community where they are located.
- 4.6 The proposal must describe their organizational structure and their 501c status, if applicable.
- 4.7 The offeror **may be asked to** submit a copy of their most recent independently audited financial statements.
- 4.8 Provide the following information related to at least three previous and current service/contracts performed by the offeror's organization which are similar to the requirements of this RFP if agency is not currently contracted with Department of Social Services, Division of Behavioral Health. Provide this information for any service/contract that has been terminated, expired or not renewed in the past three years:
 - a. Name, address and telephone number of client/contracting agency and a representative of that agency who may be contacted for verification of all information submitted;
 - b. Dates of the service/contract; and
 - c. A brief, written description of the specific prior services performed and requirements thereof.
- 4.9 The offeror must submit information that demonstrates their availability and familiarity with the locale in which the project (s) are to be implemented.
- 4.10 The offeror must provide detailed examples that document their ability and proven history in handling special project constraints.
- 4.11 Describe in detail your proposed project management techniques that will be employed by your proposal.
- 4.12 Describe your resources available to perform the work including any specialized services.
- 4.13 If an offeror's proposal does not meet the procedural and/or substantive requirements of the RFP and is not accepted by the State, the proposal will not be reviewed and evaluated.

Offeror's Contacts: Offerors and their agents (including subcontractors, employees, consultants, or anyone else acting on their behalf) must direct all of their questions or comments regarding the RFP, the evaluation, etc. to the Buyer of Record / POC indicated on the first page of this RFP. Offerors and their agents may not contact any state employee other than the Buyer of Record / POC regarding any of these matters during the solicitation and evaluation process. Inappropriate contacts are grounds for suspension and/or exclusion from specific procurements. Offerors and their agents who have questions regarding this matter should contact the Buyer of Record / POC.

5.0 PROPOSAL RESPONSE FORMAT

- 5.1 An original and five (5) copies shall be submitted.
 - 5.1.1 In addition, the offeror should provide one (1) copy of their entire proposal, including all attachments, in PDF electronic format. Offerors may not send the electronically formatted copy of their proposal via email.
 - 5.1.2 The proposal should be page numbered and should have an index and/or a table of contents referencing the appropriate page number.
- 5.2 All proposals must be organized and tabbed with labels for the following headings:
 - 5.2.1 **RFP Form.** The State's Request for Proposal form completed and signed.

- 5.2.2 **Executive Summary.** The one or two page executive summary is to briefly describe the offeror's proposal. This summary should highlight the major features of the proposal. It must indicate any requirements that cannot be met by the offeror. The reader should be able to determine the essence of the proposal by reading the executive summary. Proprietary information requests should be identified in this section.
- 5.2.3 **Detailed Response.** This section should constitute the major portion of the proposal and must contain at least the following information:
- 5.2.3.1 A complete narrative of the offeror's assessment of the work to be performed, the offeror's ability and approach, and the resources necessary to fulfill the requirements. This should demonstrate the offeror's understanding of the desired overall performance expectations. The narrative must not exceed 15 pages.
- 5.2.3.2 A specific point-by-point response, in the order listed, to each requirement specified in sections 3 and 4 of the RFP. The response should identify each requirement being addressed as enumerated in the RFP, i.e. use the same numbering system as the RFP.
- 5.2.3.3 A clear description of any options or alternatives proposed.
- 5.2.4 **Cost Proposal.** Cost will be evaluated independently from the technical proposal. Offerors may submit multiple cost proposals. All costs related to the provision of the required services must be included in each cost proposal offered.

The cost proposal must be submitted in a separate sealed envelope labeled "Cost Proposal" as outlined in section 1.5 of this RFP.

See section 7.0 for more information related to the cost proposal.

6.0 PROPOSAL EVALUATION AND AWARD PROCESS

- 6.1 After determining that a proposal satisfies the mandatory requirements stated in the Request for Proposal, the evaluator(s) shall use subjective judgment in conducting a comparative assessment of the proposal by considering each of the following criteria:
- 6.1.1 Specialized expertise, capabilities, and technical competence as demonstrated by the proposed approach and methodology to meet the project requirements;
- 6.1.2 Resources available to perform the work, including any specialized services, within the specified time limits for the project;
- 6.1.3 Proposed project management techniques;
- 6.1.4 Availability to the project locale;
- 6.1.5 Familiarity with the project locale;
- 6.1.6 Ability and proven history in handling special project constraints;
- 6.1.7 Record of past performance, including price and cost data from previous projects, quality of work, ability to meet schedules, cost control, and contract administration;
- 6.1.8 Cost proposal.

- 6.2 Experience and reliability of the offeror's organization are considered subjectively in the evaluation process. Therefore, the offeror is advised to submit any information which documents successful and reliable experience in past performances, especially those performances related to the requirements of this RFP.
- 6.3 The qualifications of the personnel proposed by the offeror to perform the requirements of this RFP, whether from the offeror's organization or from a proposed subcontractor, will be subjectively evaluated. Therefore, the offeror should submit detailed information related to the experience and qualifications, including education and training, of proposed personnel.
- 6.4 The State reserves the right to reject any or all proposals, waive technicalities, and make award(s) as deemed to be in the best interest of the State of South Dakota.
- 6.5 **Award:** The requesting agency and the highest ranked offeror shall mutually discuss and refine the scope of services for the project and shall negotiate terms, including compensation and performance schedule.
 - 6.5.1 If the agency and the highest ranked offeror are unable for any reason to negotiate a contract at a compensation level that is reasonable and fair to the agency, the agency shall, either orally or in writing, terminate negotiations with the contractor. The agency may then negotiate with the next highest ranked contractor.
 - 6.5.2 The negotiation process may continue through successive offerors, according to agency ranking, until an agreement is reached or the agency terminates the contracting process.

7.0 COST PROPOSAL

Submit a cost report for all treatment programming. Send one (1) original and five (5) copies of each cost report. Complete Attachment #1. Complete all sections of the attachment; do not leave any sections blank. Enter NA if a particular section is not applicable to your proposal.

STATE OF SOUTH DAKOTA
DEPARTMENT OF SOCIAL SERVICES
DIVISION OF BEHAVIORAL HEALTH

Purchase of Services Agreement
Between

State of South Dakota
Department of Social Services
DIVISION OF BEHAVIORAL HEALTH
700 Governors Drive
Pierre, SD 57501-2291

Referred to as Provider

Referred to as State

The State hereby enters into a vendor-type contractual agreement for procurement of goods or services. While performing services hereunder, Provider is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

1. PROVIDER'S South Dakota Vendor Number is .
2. PERIOD OF PERFORMANCE:
 - A. This agreement shall be effective as of June 1, 2014 and shall end on May 31, 2015, unless sooner terminated pursuant to the terms hereof.
 - B. Agreement is the result of request for proposal process, RFP #2260 , initial term.
3. PROVISIONS (add an attachment if needed) :
 - A. The Purpose of this agreement is to:
 - B. The Provider agrees to perform the following services:
 - C. The **TOTAL AMOUNT** of this agreement will not exceed \$.
Payment will be in accordance with SDCL 5-26.
4. BILLING:

Provider agrees to prepare and submit a bill for services within 30 days following the end of the month in which services were provided. If the provider cannot submit a bill within the 30-day timeframe, a written request for an extension of time must be provided to the State. If a bill has not been received by the State, the State reserves the right to refuse payment.

An exception to this is when a provider is waiting for program/funding eligibility determination and billing cannot be made within 30 days. Valid adjustments and/or voiding of claims can continue to occur past the 30-day timeframe.

5. TECHNICAL ASSISTANCE:

The State agrees to provide technical assistance regarding Department of Social Services' rules, regulations and policies to the Provider and to assist in the correction of problem areas identified by the State's monitoring activities.

6. LICENSING AND STANDARD COMPLIANCE:

The Provider agrees to comply in full with all licensing and other standards required by Federal, State, County, City or Tribal statute, regulation or ordinance in which the service and/or care is provided for the duration of this agreement. Liability resulting from noncompliance with licensing and other standards required by Federal, State, County, City or Tribal statute, regulation or ordinance or through the Provider's failure to ensure the safety of all individuals served is assumed entirely by the Provider.

7. ASSURANCE REQUIREMENTS:

The Provider agrees to abide by all applicable provisions of the following assurances: Lobbying Activity, Debarment and Suspension, Drug-Free Workplace, Executive Order 11246 Equal Employment Opportunity, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, Drug Abuse Office and Treatment Act of 1972, Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, Age Discrimination Act of 1975, Americans with Disabilities Act of 1990, Pro-Children Act of 1994, Hatch Act, Health Insurance Portability and Accountability Act (HIPAA) of 1996, Charitable Choice Provisions and Regulations, and American Recovery and Reinvestment Act of 2009 as applicable.

8. RETENTION AND INSPECTION OF RECORDS:

The Provider agrees to maintain or supervise the maintenance of records necessary for the proper and efficient operation of the program, including records and documents regarding applications, determination of eligibility (when applicable), the provision of services, administrative costs, statistical, fiscal, other records, and information necessary for reporting and accountability required by the State. The Provider shall retain such records for six years following termination of the agreement. If such records are under pending audit, the Provider agrees to hold such records for a longer period upon notification from the State. The State, through any authorized representative, will have access to and the right to examine and copy all records, books, papers or documents related to services rendered under this Agreement. State Proprietary Information retained in Provider's secondary and backup systems will remain fully subject to the obligations of confidentiality stated herein until such information is erased or destroyed in accordance with Provider's established record retention policies.

All payments to the Provider by the State are subject to site review and audit as prescribed and carried out by the State. Any over payment of this agreement shall be returned to the State within thirty days after written notification to the Provider.

9. WORK PRODUCT:

Provider hereby acknowledges and agrees that all reports, plans, specifications, technical data, drawings, software system programs and documentation, procedures, files, operating instructions and procedures, source code(s) and documentation, including those necessary to upgrade and maintain the software program, State Proprietary Information, State Data, End User Data, Personal Health Information, and all information contained therein provided to the State by the Provider in connection with its performance of service under this Agreement shall belong to and is the property of the State and will not be used in any way by the Provider without the written consent of the State.

Paper, reports, forms software programs, source code(s) and other materials which are a part of the work under this Agreement will not be copyrighted without written approval of the State. In the unlikely event that any copyright does not fully belong to the State, the State none the less reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and otherwise use, and to authorize others to use, any such work for government purposes.

Provider agrees to return all information received from the State to State's custody upon the end of the term of this contract, unless otherwise agreed in a writing signed by both parties.

10. COST REPORTING REQUIREMENTS:

- ☒ The provider agrees to submit a cost report in the format required by the State, and is due four months following the end of the provider's fiscal year.

or

☐ No reporting is required.

11. TERMINATION:

This Agreement may be terminated by either party hereto upon thirty (30) days written notice, and may be terminated by the State for cause at any time, with or without notice. On termination of this agreement all accounts and payments shall be processed according to financial arrangements set forth herein for services rendered to date of termination.

12. FUNDING:

This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reduction, this Agreement will be terminated by the State. Termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State.

13. AMENDMENTS:

This agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof, and be signed by an authorized representative of each of the parties hereto.

14. CONTROLLING LAW:

This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

15. SUPERCESSION:

All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire Agreement with respect to the subject matter hereof.

16. SEVERABILITY:

In the event that any provision of this Agreement shall be held unenforceable or invalid by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

17. IT STANDARDS:

Provider warrants that the software and hardware developed or purchased for the state will be in compliance with the BIT Standards including but not limited to the standards for security, file naming conventions, executable module names, Job Control Language, systems software, and systems software release levels, temporary work areas, executable program size, forms management, network access, tape management, hosting requirements, administrative controls, and job stream procedures prior to the installation and acceptance of the final project. BIT standards can be found at <http://bit.sd.gov/standards/>.

18. NOTICE:

Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to the Division being contracted with on behalf of the State, and by the Provider, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.

19. SUBCONTRACTORS:

Provider may not use subcontractors to perform the services described herein without the express prior written consent of the State. The State reserves the right to reject any person from the contract presenting insufficient skills or inappropriate behavior.

Provider will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage for the benefit of the State in a manner consistent with this

Agreement. Provider will cause its subcontractors, agents, and employees to comply with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance.

The State, at its option, may require the vetting of any subcontractors. The Provider is required to assist in this process as needed.

20. HOLD HARMLESS:

The Provider agrees to hold harmless and indemnify the State of South Dakota, its officers, agents and employees, from and against any and all actions, suits, damages, liability or other proceedings which may arise as the result of performing services hereunder. This section does not require the Provider to be responsible for or defend against claims or damages arising solely from errors or omissions of the State, its officers, agents or employees.

21. INSURANCE:

Before beginning work under this Agreement, Provider shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement. The Provider, at all times during the term of this Agreement, shall obtain and maintain in force insurance coverage of the types and with the limits listed below. In the event a substantial change in insurance, issuance of a new policy, cancellation or nonrenewal of the policy, the Provider agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Provider shall furnish copies of insurance policies if requested by the State.

A. Commercial General Liability Insurance:

Provider shall maintain occurrence-based commercial general liability insurance or an equivalent form with a limit of not less than \$1,000,000 for each occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two times the occurrence limit.

B. Business Automobile Liability Insurance:

Provider shall maintain business automobile liability insurance or an equivalent form with a limit of not less than \$500,000 for each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles.

C. Workers' Compensation Insurance:

Provider shall procure and maintain Workers' Compensation and employers' liability insurance as required by South Dakota law.

D. Professional Liability Insurance:

Provider agrees to procure and maintain professional liability insurance with a limit not less than \$1,000,000.

22. CONFLICT OF INTEREST

Provider agrees to establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

23. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION:

Provider certifies, by signing this agreement, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or any state or local government department or agency. Provider further agrees that it will immediately notify the State if during the term of this Agreement its principals become subject to debarment, suspension of ineligibility from participating in transactions by the federal government, or by any state or local government department or agency.

24. CONFIDENTIALITY OF INFORMATION:

For the purpose of the sub-paragraph, "State Proprietary Information" shall include all information disclosed to the Provider by the State. Provider acknowledges that it shall have a duty to not disclose any State Proprietary Information to any third person for any reason without the express written permission of a State officer or employee with authority to authorize the disclosure. Provider shall not: (i) disclose any State Proprietary Information to any third person unless otherwise specifically allowed under this contract; (ii) make any use of State Proprietary Information except to exercise rights and perform obligations under this

contract; (iii) make State Proprietary Information available to any of its employees, officers, agents or consultants except those who have agreed to obligations of confidentiality at least as strict as those set out in this contract and who have a need to know such information. Provider is held to the same standard of care in guarding State Proprietary Information as it applies to its own confidential or proprietary information and materials of a similar nature, and no less than holding State Proprietary Information in the strictest confidence. Provider shall protect confidentiality of the State's information from the time of receipt to the time that such information is either returned to the State or destroyed to the extent that it cannot be recalled or reproduced. State Proprietary Information shall not include information that (i) was in the public domain at the time it was disclosed to Provider; (ii) was known to Provider without restriction at the time of disclosure from the State; (iii) that is disclosed with the prior written approval of State's officers or employees having authority to disclose such information; (iv) was independently developed by Provider without the benefit or influence of the State's information; (v) becomes known to Provider without restriction from a source not connected to the State of South Dakota. State's Proprietary Information shall include names, social security numbers, employer numbers, addresses and all other data about applicants, employers or other clients to whom the State provides services of any kind. Provider understands that this information is confidential and protected under applicable State law at SDCL 1-27-1.5, modified by SDCL 1-27-1.6, SDCL 28-1-29, SDCL 28-1-32, and SDCL 28-1-68 as applicable federal regulation and agrees to immediately notify the State if the information is disclosure, either intentionally or inadvertently. The parties mutually agree that neither of them shall disclose the contents of the agreement except as required by applicable law or as necessary to carry out the terms of the agreement or to enforce that party's rights under this agreement. Provider acknowledges that the State and its agencies are public entities and thus are bound by South Dakota open meetings and open records laws. It is therefore not a breach of this contract for the State to take any action that the State reasonably believes is necessary to comply with the South Dakota open records or open meetings laws. If work assignments performed in the course of this agreement require additional security requirements or clearance, the Provider will be required to undergo investigation.

25. AUTHORIZED SIGNATURES:

In witness hereto, the parties signify their agreement by affixing their signatures hereto.

_____ Provider Signature	_____ Date
_____ State- DSS Division Director Tiffany Wolfgang	_____ Date
_____ State - DSS Chief Financial Officer Brenda Tidball-Zeltinger	_____ Date
_____	_____

**STATE OF SOUTH DAKOTA
DEPARTMENT OF SOCIAL SERVICES**

Exhibit A

HIPAA Business Associate Requirements

In consideration of the mutual promises below and the exchange of information pursuant to this agreement and in order to comply with all legal requirements for the protection of this information, the parties therefore agree as follows:

A. Definitions of Terms

1. Agreement means this Business Associate Agreement.
2. Business Associate shall have the meaning given to such term in 45 C.F.R. section 160.103.
3. C.F.R. shall mean the Code of Federal Regulations.
4. Designated Record Set shall have the meaning given to such term in 45 C.F.R. section 164.501.
5. Covered Entity shall have the meaning given to such term in 45 C.F.R. section 160.103.
6. Protected Health Information or PHI shall have the meaning given to such term in 45 C.F.R. section 164.501.

B. Obligations of Consultant.

1. Permitted Uses and Disclosures. Contractor may not use PHI received or created pursuant to this agreement except as follows:
 - a. To conduct treatment services.
 - ☒ Contractor's Operations – Permitted Uses of PHI. Contractor may use the PHI it receives in its capacity as a Business Associate for the proper management and administration of Contractor or to carry out Contractor's legal responsibilities.
1. Disclosure Accounting. In the event that Consultant makes any disclosures of PHI that are subject to the accounting requirements of 45 C.F.R. section 164.528, Consultant promptly shall report such disclosures to DSS. The notice by Consultant to DSS of the disclosure shall include the name of the individual and DSS affiliation to whom the PHI was disclosed and the date of the disclosure. Consultant shall maintain a record of each such disclosure, including the date of the disclosure, the name and, if available, the address of the recipient of the PHI, a brief description of the PHI disclosed and a brief description of the purpose of the disclosure. Consultant shall maintain this record for a period of six (6) years and make available to DSS upon request in an electronic format so that DSS may meet its disclosure accounting obligations under 45 C.F.R. section 164.528.
2. Access to PHI by Individuals. Consultant shall cooperate with DSS to fulfill all requests by individuals for access to the individual's PHI that are approved by DSS. Consultant shall cooperate with DSS in all respects necessary for DSS to comply with 45 C.F.R. section 164.524. If Consultant receives a request from an individual for access to PHI, Consultant immediately shall forward such request to DSS. DSS shall be solely responsible for determining the scope of PHI and Designated Record Set with respect to each request by an individual for access to PHI.
3. Access to Consultant's Books and Records. Consultant shall make its internal practices, books and records relating to the use and disclosure of PHI received from, or created or received by Consultant on behalf of DSS available to the Secretary of the Department of Health and Human Services for purposes of determining DSS's compliance with the HIPAA laws and regulations. Upon reasonable notice to Consultant and during Consultant's normal business hours, Consultant shall make

such internal practices, books and records available to DSS to inspect for purposes of determining compliance with this Agreement.

4. Amendment of PHI. As directed and in accordance with the time frames specified by DSS, Consultant shall incorporate all amendments to PHI received from DSS. Within five (5) business days following Consultant's amendment of PHI as directed by DSS, Consultant shall provide written notice to DSS confirming that Consultant has made to amendments to PHI as directed by DSS and containing any other information as may be necessary for DSS to provide adequate notice to the individual in accordance with 45 C.F.R. section 164.526.
5. Security Safeguards. Consultant shall implement a documented information security program that includes administrative, technical and physical safeguards designed to prevent the accidental or otherwise unauthorized use or disclosure of PHI.
6. Reporting and Mitigating Unauthorized Uses and Disclosures of PHI. Immediately upon notice to Consultant, Consultant shall report to DSS any uses or disclosures of PHI not authorized by this Agreement. Consultant shall use its best efforts to mitigate the deleterious effects of any use or disclosure of PHI not authorized by this Agreement. Further, in the notice provided to DSS by Consultant regarding unauthorized uses and/or disclosures of PHI, Consultant shall describe the remedial or other actions undertaken or proposed to be undertaken regarding the unauthorized use or disclosure of PHI.
7. Affiliates, Agents, Subsidiaries and Sub Consultants. Consultant shall require that any agents, affiliates, subsidiaries or sub Consultants, to whom it provides PHI received from, or created or received by Consultant on behalf of DSS agree in writing to the same use and disclosure restrictions imposed on Consultant by this Agreement.
8. Effects of Termination; Disposal of PHI. Upon termination of this Agreement, Consultant shall recover all PHI that is in the possession of Consultant's agents, affiliates, subsidiaries or sub Consultants. Consultant shall return to DSS or destroy all PHI that Consultant obtained or maintained pursuant to this Agreement on behalf of DSS. If the parties agree at that time that the return or destruction of PHI is not feasible, Consultant shall extend the protections provided under this Agreement to such PHI, and limit further use or disclosure of the PHI to those purposes that make the return or destruction of the PHI infeasible. If the parties agree at the time of termination of this Agreement that it is infeasible for the Consultant to recover all PHI in the possession of Consultant's agents, affiliates, subsidiaries or sub Consultants, Consultant shall provide written notice to DSS regarding the nature of the unfeasibility and Consultant shall require that its agents, affiliates, subsidiaries and sub Consultants agree to the extension of all protections, limitations and restrictions required of Consultant hereunder.

C. Miscellaneous.

1. Consultant's Compliance with HIPAA. DSS makes no warranty or representation that compliance by Consultant with this Agreement, HIPAA or the HIPAA regulations will be adequate or satisfactory for Consultant's own purposes or that any information in Consultant's possession or control, or transmitted or received by Consultant, is or will be secure from unauthorized use or disclosure. Consultant is solely responsible for all decisions made by Consultant regarding the safeguarding of PHI.
2. No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
3. Assistance in Litigation or Administrative Proceedings. Consultant shall make itself and any agents, affiliates, subsidiaries, sub Consultants or employees assisting Consultant in the fulfillment of its obligations under this Agreement, available to DSS, at no cost to DSS, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DSS, its directors, officers or employees based upon claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, except where Consultant or its agents, affiliates, subsidiaries, sub Consultants or employees are a named adverse party.

**STATE OF SOUTH DAKOTA
RURAL PILOT PROGRAM
REQUEST FOR PROPOSAL FUNDING REQUEST**

Funding Period: July 1, 2014- May 31, 2015	
Funding Subarea(s)	Total Cost
Personnel Costs:	
Salary	
Fringe Benefits	
Consultant Costs:	
Contractual Costs:	
Operating Costs:	
Office Space	
Printing/Publishing	
Postage	
Telephone/Cell Phones	
Internet	
Office Supplies	
Insurances	
Other Costs: (Describe)	
Equipment Costs: (Computers, Copiers, Printers, i.e.)	
Technology Cost for treatment delivery:	
Travel Costs:	
All Staff	
Other Costs (Describe):	
TOTAL FUNDING REQUEST	

Note: *Complete Attachment #1 of the Cost Report which details the number of positions, position titles, staff credentials, staff name (if known), salary etc.*

** Project equipment may be purchased during the first grant year only.*